

This notice in TED website: <https://ted.europa.eu/udl?uri=TED:NOTICE:270779-2019:TEXT:EN:HTML>

**United Kingdom-Dalkeith: District-heating plant construction work  
2019/S 111-270779**

**Contract notice**

**Works**

**Legal Basis:**

Directive 2014/24/EU

**Section I: Contracting authority**

I.1) **Name and addresses**

Midlothian Council  
Midlothian House, 40-46 Buccleuch Street  
Dalkeith  
EH22 1DN  
United Kingdom

Contact person: Gordon Pollock

Telephone: +44 1312707500

E-mail: [gordon.pollock@midlothian.gov.uk](mailto:gordon.pollock@midlothian.gov.uk)

NUTS code: UKM73

**Internet address(es):**

Main address: [www.midlothian.gov.uk](http://www.midlothian.gov.uk)

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00336](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00336)

I.1) **Name and addresses**

The City of Edinburgh Council  
Waverley Court, 4 East Market Street  
Edinburgh  
EH8 8BG  
United Kingdom

Telephone: +44 1314693922

E-mail: [procurement@edinburgh.gov.uk](mailto:procurement@edinburgh.gov.uk)

NUTS code: UKM75

**Internet address(es):**

Main address: <http://www.edinburgh.gov.uk>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00290](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00290)

I.1) **Name and addresses**

East Lothian Council  
John Muir House  
Haddington, East Lothian  
EH41 3HA  
United Kingdom

Telephone: +44 1620827754

E-mail: [procurement@eastlothian.gov.uk](mailto:procurement@eastlothian.gov.uk)

NUTS code: UKM73

**Internet address(es):**

Main address: <http://www.eastlothian.gov.uk>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00181)

ID=AA00181

I.1) **Name and addresses**

University Of Edinburgh

Charles Stewart House, 9-16 Chambers Street

Edinburgh

EH1 1HT

United Kingdom

Telephone: +44 1316502508

E-mail: [procurement.office@ed.ac.uk](mailto:procurement.office@ed.ac.uk)

NUTS code: UKM75

**Internet address(es):**

Main address: <http://www.ed.ac.uk/schools-departments/procurement/supplying>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00107)

ID=AA00107

I.1) **Name and addresses**

Queen Margaret University

Queen Margaret University Drive

Musselburgh

EH21 6UU

United Kingdom

Telephone: +44 1314740000

E-mail: [tenders@qmu.ac.uk](mailto:tenders@qmu.ac.uk)

NUTS code: UKM75

**Internet address(es):**

Main address: <http://www.qmu.ac.uk/>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00364)

ID=AA00364

I.1) **Name and addresses**

Scottish Enterprise

Atrium Court, 50 Waterloo Street

Glasgow

G2 6HQ

United Kingdom

Telephone: +44 1412482700

E-mail: [gordon.hutton@scotent.co.uk](mailto:gordon.hutton@scotent.co.uk)

Fax: +44 1412481600

NUTS code: UKM82

**Internet address(es):**

Main address: <http://www.scottish-enterprise.com/>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00398](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00398)

I.1) **Name and addresses**

NHS Lothian

Procurement Headquarters, Lothian Health Board Waverley Gate 2-4 Waterloo Place

Edinburgh

EH1 3EG

United Kingdom

Telephone: +44 7890554750

E-mail: [capital.planning@nhslothian.scot.nhs.uk](mailto:capital.planning@nhslothian.scot.nhs.uk)

NUTS code: UKM

**Internet address(es):**

Main address: <http://www.nhslothian.scot.nhs.uk/>

Address of the buyer profile: [https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00326](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00326)

I.2) **Information about joint procurement**

The contract involves joint procurement

I.3) **Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at:

[www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)

Additional information can be obtained from the abovementioned address

Tenders or requests to participate must be submitted electronically via: [www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)

I.4) **Type of the contracting authority**

Regional or local authority

I.5) **Main activity**

General public services

**Section II: Object**

II.1) **Scope of the procurement**

II.1.1) **Title:**

Energy Partner for Midlothian and Surrounding Areas

II.1.2) **Main CPV code**

45251250

II.1.3) **Type of contract**

Works

II.1.4) **Short description:**

Midlothian Council (the Council) is seeking to procure an energy partner. The Council wishes to identify a partner with the most economically advantageous tender, to work with the Council on the scoping, design, procurement, financing, implementation, delivery, operation and maintenance of decentralised energy projects in Midlothian and surrounding areas (including but not limited to district heating, direct wire electricity, solar PV and electric vehicles) together with associated works, services and supplies. The first project likely to be progressed is the development, delivery and operation of a top up/back up energy centre and associated district heating network to serve the new emerging Shawfair Town. The primary source of low carbon heat will be from an

adjacent existing Energy from Waste facility. The Council requires elements of this project to be commissioned by September 2021 to meet applicable funding conditions.

II.1.5) **Estimated total value**

Value excluding VAT: 100 000 000.00 GBP

II.1.6) **Information about lots**

This contract is divided into lots: no

II.2) **Description**

II.2.1) **Title:**

II.2.2) **Additional CPV code(s)**

09300000

09310000

09323000

09330000

38551000

42515000

44163120

45000000

45232140

45251000

45251250

45259300

45315100

45317300

71300000

71311000

71314000

71314200

71314300

71314310

71700000

79993000

II.2.3) **Place of performance**

NUTS code: UKM73

Main site or place of performance:

Midlothian Council area and surrounds. Details of the site for the Millerhill Low Carbon District Heating Project are outlined in the procurement documents.

II.2.4) **Description of the procurement:**

Midlothian Council is seeking to procure an energy partner. The Council wishes to identify a partner with the most economically advantageous tender, to work with the Council on the scoping, design, procurement, financing, implementation, delivery, operation and maintenance of energy projects in Midlothian and surrounding areas (including but not limited to district heating, direct wire electricity, solar PV and electric vehicles) together with associated works, services and supplies. It is anticipated that this will involve development of a joint venture with the Council. The nature of the joint venture and potential funding and financing solutions will be explored during dialogue but is likely to involve the creation of a jointly owned Energy Services Company (ESCO). The

duration of the joint venture will also be discussed in dialogue but it is possible that if an ESCO is established that it would not have a pre-determined lifespan. The Council will then enter into a concession agreement with the ESCO for the development and delivery of projects involving Council heat loads or land or generally within Council control. The concession duration will be explored during dialogue but the Council anticipates that this will be 25-40 years.

The first project likely to be progressed is the development, delivery and operation of an energy centre and associated district heating network to serve the new emerging Shawfair Town of up to 2 900 homes plus associated Council buildings such as a new school. The Council requires elements of this scheme to be commissioned by September 2021 to meet applicable funding conditions. The Council anticipates that this project will involve a concession granted to the ESCO by the Shawfair developer, Shawfair LLP. The concession duration will be explored during dialogue but the Council anticipates that this will be 25-40 years.

The heat source identified for the initial projects is the energy from waste plant situated at the former Millerhill Marshalling Yards in Midlothian and operated by FCC under contract with City of Edinburgh Council for the benefit of City of Edinburgh Council and Midlothian Council. It is anticipated that other projects will subsequently be identified and awarded to the successful partner. The partner will be responsible for identifying and developing such projects. This will be subject to all necessary permissions, partner performance and the availability of funding or financing. In each case these projects, including the Shawfair scheme, may involve the sale of energy to the Contracting Authority and the other Contracting Authorities named in this notice.

II.2.5) **Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) **Estimated value**

Value excluding VAT: 100 000 000.00 GBP

II.2.7) **Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 480

This contract is subject to renewal: no

II.2.9) **Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 3

Objective criteria for choosing the limited number of candidates:

Owing to character limitations in the OJEU Notice not all criteria and information relating to this procurement can be included in this notice. The Objective and Non -Discriminatory Criteria are set out in full in the ESPD and ESPD Instructions which can be accessed through the website referenced in Section I.3.

II.2.10) **Information about variants**

Variants will be accepted: no

II.2.11) **Information about options**

Options: no

II.2.12) **Information about electronic catalogues**

II.2.13) **Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds: yes

Identification of the project:

LCITP/IFI/2.010

II.2.14) **Additional information**

Please see Information Memorandum which can be accessed through the website referenced in Section I.3.

**Section III: Legal, economic, financial and technical information**

III.1) **Conditions for participation**

III.1.1) **Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

III.1.2) **Economic and financial standing**

List and brief description of selection criteria:

Full details can be found in the ESPD and ESPD Instructions which can be accessed through the website referenced in Section I.3 of this notice.

(4.B.1.2) ESPD Statement:

Bidders will be required to have an average yearly turnover of a minimum of 25 000 000 GBP for the last 3 years. The average turnover stated shall be based upon the figures reported in the last 3 year's audited financial statements. The average shall be a weighted average with the most recent year's turnover counting for 60 percent, the next most recent year counting for 30 percent, and the third most recent counting for 10 percent. Where, for any valid reason, the bidder does not have 3 year's audited financial statements available, the Council may accept other forms of documentation which it considers acceptable as proof.

Where any bidder is relying on the financial and economic standing of another economic operator this must be clearly stated and will only be acceptable where:

- 1) The economic operator which is being relied on completes its own ESPD (including Question 4B) in accordance with 2C.1; and
- 2) A letter of support is provided by the economic operator being relied on clearly referencing (i) the economic operator it is guaranteeing;  
(ii) providing an undertaking to guarantee that economic operator's obligations under the Project;and  
(iii) explaining the guarantor's relationship to that economic operator.

(4.B.6) ESPD Statement:

A. The Council will use Experian to check the financial stability/risks associated with each bidder and require that they have at least an Experian credit score of at least 51 out of 100. Failing that, the Council will use reasonable measures to ensure that appointing the bidder does not provide an elevated risk in terms of their financial stability and, will request such information as may be reasonably necessary to ascertain that.

(4.B.6) ESPD Statement

B. Please provide information on the entity on whom you will rely to provide the partner's share of the equity in the ESCO and the source of this funding. Please also state whether you anticipate funding will be sought from other sources, such as senior funders. Any identified entity on whom you will rely to invest in equity for the project should complete the ESPD in accordance with Section 2C of the ESPD.

The Council strongly prefers candidates to identify all organisations which will be responsible for funding the project. Where candidates propose not to identify a partner or supplier in any of these areas at this stage, they should provide a clear statement of their proposed approach to address these aspects during the tender process.

At the final tender stage the Council will expect bids to be fully underwritten by funding providers.

The pass/fail tests of the ESPD will be applied retrospectively to any equity funder introduced at a later stage and a pass must be achieved for all tests.

III.1.3) **Technical and professional ability**

List and brief description of selection criteria:

Full details can be found in the ESPD and ESPD Instructions which can be accessed through the website referenced in Section I.3 of this notice.

(4C.1) ESPD Statement:

Please provide 3 case studies each not more than 1 500 words in length demonstrating your experience in successfully delivering projects most closely relevant to the project being procured by this notice (as more fully described in the Information Memorandum), in terms of technology, commercial structure, size, and complexity. Case studies should demonstrate experience of the following items:

- successful participation in a joint venture with the public sector,
- successful negotiation of an energy supply arrangement with an energy from waste plant
- provision of strategic advice to the public sector on energy projects
- successful development of district energy projects from feasibility to full delivery and commissioning,
- delivery of district energy projects within compressed timetables,
- continued successful expansion of district energy projects.

For each case study please provide the following information:

- (a) full name, address and telephone number of client from whom a reference may be sought;
- (b) value of project;
- (c) location;
- (d) type/character of work;
- (e) contract period;
- (f) commencement date;
- (g) full details of the bidder's role in the case study;
- (h) clear statement on the stage which the project in the case study has reached (e.g. outline business case, financial close, full operation, etc).

Each case study will be scored as described in the ESPD Instructions which can be accessed through the website referenced in Section I.3 of this notice. Submissions which are able to demonstrate relevant experience against more of the items listed in this requirement will score the highest.

#### 2D.1 ESPD Statement: Sub-Contractors

Please complete questions 2D.1.1 and 2D.1.2 in the ESPD in respect of known sub-contractors who may be involved in the delivery of the project but who are not being relied upon to meet selection criteria.

#### III.1.5) **Information about reserved contracts**

#### III.2) **Conditions related to the contract**

#### III.2.2) **Contract performance conditions:**

#### III.2.3) **Information about staff responsible for the performance of the contract**

### **Section IV: Procedure**

#### IV.1) **Description**

##### IV.1.1) **Type of procedure**

Competitive dialogue

##### IV.1.3) **Information about a framework agreement or a dynamic purchasing system**

##### IV.1.4) **Information about reduction of the number of solutions or tenders during negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

##### IV.1.6) **Information about electronic auction**

##### IV.1.8) **Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: yes

#### IV.2) **Administrative information**

##### IV.2.1) **Previous publication concerning this procedure**

IV.2.2) **Time limit for receipt of tenders or requests to participate**

Date: 10/07/2019

Local time: 16:00

IV.2.3) **Estimated date of dispatch of invitations to tender or to participate to selected candidates**

Date: 29/07/2019

IV.2.4) **Languages in which tenders or requests to participate may be submitted:**

English

IV.2.6) **Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 12 (from the date stated for receipt of tender)

IV.2.7) **Conditions for opening of tenders**

**Section VI: Complementary information**

VI.1) **Information about recurrence**

This is a recurrent procurement: no

VI.2) **Information about electronic workflows**

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) **Additional information:**

All dates, timescales and values set out in this notice are estimates only and so subject to change during the tender process, if required.

The contract value specified in this Contract Notice is the Council's best assessment of the capital value of the potential projects that could be delivered by the joint venture established under this procurement assuming that a number of the opportunities identified at section 5 of the information memorandum are delivered.

The tender evaluation methodology will be published as part of the invitation to participate in dialogue.

Note: to register your interest in this notice and obtain any additional information please visit the Public Contracts Scotland Web Site at [https://www.publiccontractsscotland.gov.uk/Search/Search\\_Switch.aspx?ID=586541](https://www.publiccontractsscotland.gov.uk/Search/Search_Switch.aspx?ID=586541).

The buyer has indicated that it will accept electronic responses to this notice via the Postbox facility. A user guide is available at [https://www.publiccontractsscotland.gov.uk/sitehelp/help\\_guides.aspx](https://www.publiccontractsscotland.gov.uk/sitehelp/help_guides.aspx).

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of the closing time to avoid any last minute problems.

A sub-contract clause has been included in this contract. For more information see: <http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2363>

Community benefits are included in this requirement. For more information see: <http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2361>

A summary of the expected community benefits has been provided as follows:

Details of the community benefit requirements will be included in the procurement documents.

(SC Ref:586541)

Download the ESPD document here: [https://www.publiccontractsscotland.gov.uk/ESPD/ESPD\\_Download.aspx?id=586541](https://www.publiccontractsscotland.gov.uk/ESPD/ESPD_Download.aspx?id=586541)

VI.4) **Procedures for review**

VI.4.1) **Review body**

Midlothian Council

Midlothian House, 40-46 Buccleuch Street



Dalkeith  
EH22 1DN  
United Kingdom  
Telephone: +44 1312707500  
Internet address: <http://www.midlothian.gov.uk>

VI.4.2) **Body responsible for mediation procedures**

VI.4.3) **Review procedure**

VI.4.4) **Service from which information about the review procedure may be obtained**

VI.5) **Date of dispatch of this notice:**  
10/06/2019